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It is subject to change and Michigan Department
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Final forms will be available in early January 2009.

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Draft forms that are filed will be rejected by the
Michigan Department of Treasury.



MBT

Michigan Business Tax

www.michigan.gov/taxes

Insurance Companies

2008 Forms and Instructions

What's Inside

This MBT booklet includes forms and instructions for insurance companies. These forms are designed for calendar year 2008.



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See pages 4 and 19 for more information.

This booklet is intended as a guide to help complete the Michigan Business Tax (MBT) return. It does not take the place of the law.

Michigan Department of Treasury
Customer Contact Division, MBT Unit
P.O. Box 30059 * Lansing, MI 48909 * (517) 636-4657

2008 General Information for Insurance Companies

Standard Taxpayers and Financial Institutions: See the *Michigan Business Tax (MBT) Instruction Booklet for Standard Taxpayers* (Form 4600) or the *MBT Instruction Booklet for Financial Institutions* (Form 4599) at www.michigan.gov/taxes.

This booklet is intended as a guide to help complete the Michigan Business Tax (MBT) return. It does not take the place of the law.

End of Single Business Tax (SBT) – Beginning of Michigan Business Tax (MBT)

SBT was repealed on business activity after December 31, 2007 (Public Act (PA) 325 of 2006). MBT became effective January 1, 2008 (PA 36 of 2007).

Who Files an Insurance Return?

All insurance companies that are engaged in the business of writing, or that are authorized to write, Insurance or Surety contracts within the State of Michigan file the *Insurance Company Annual Return for Michigan Business and Retaliatory Taxes* (Form 4588).

All insurers, domestic and foreign, must submit copies of Schedule T and the Michigan Business Page when filing this return.

Using This Booklet

This MBT booklet includes forms and instructions for all the insurance filers. Read the General Information first. Because MBT is a new tax, it is recommended that taxpayers and tax preparers also briefly review the instructions for all forms listed below. A taxpayer might qualify for a credit and yet be unaware of it.

There are eight nonrefundable and four refundable credits available for insurance companies to help reduce the initial calculation of tax. This includes a limited allowance for SBT credit carryforwards.

The Michigan Association and Facilities Credit and the Michigan Examination Fees Credit are claimed on Form 4588. All remaining credits are claimed on the *MBT Miscellaneous Credits for Insurance Companies* (Form 4596). Some credits are calculated on additional forms, as indicated below.

Forms listed below are available on the Web at www.michigan.gov/taxes.

Nonrefundable Credits:

- SBT Credit Carryforwards (calculated on the *Single Business Tax (SBT) Credit Carryforwards* (Form 4569))
- Compensation Credit (calculated on Form 4596)
- Renaissance Zone Credit (calculated on the *MBT Renaissance Zone Credit Schedule* (Form 4595))
- Brownfield Redevelopment Credit (calculated on the *MBT Election of Refund or Carryforward of Credits* (Form 4584))
- Historic Preservation Credit (calculated on the *Michigan Historic Preservation Tax Credit* (Form 3581))
- Film Infrastructure Credit (as assignee only)
- Michigan Association and Facilities Credits (calculated on Form 4588)
- Michigan Examination Fees Credit (calculated on Form 4588)

Refundable Credits:

- Michigan Economic Growth Authority (MEGA) Employment Tax Credit (claimed on 4596)
- Workers' Disability Supplemental Benefit (WDSB) Credit (claimed on 4596)
- Brownfield Redevelopment Credit (calculated on Form 4584)
- Film Production Credit (as assignee only)

For more comprehensive information regarding MBT, visit the MBT Web site at www.michigan.gov/mbt. The Web site contains information taxpayers may find helpful in determining their estimated tax liability. Note that reliance on information found on the Web site does not protect a taxpayer from imposition of interest and penalties should the sum of the taxpayer's estimated payments not equal 85 percent of the taxpayer's MBT liability for the current tax year.

Overview of MBT for Insurance Companies

MBT imposes a separate tax on insurance companies equal to 1.25 percent of gross direct premiums written on property or risk located in Michigan. There is no filing threshold for insurance companies.

Direct premiums do not include:

- Premiums on policies not taken
- Returned premiums on cancelled policies
- Receipts from the sale of annuities
- Receipts on reinsurance premiums if the tax had been paid on the original premiums
- The first \$190,000,000 of disability insurance premiums written in Michigan.

NOTE: This exemption is reduced by two dollars for every dollar that an insurance company's gross direct premiums everywhere (both within and outside of Michigan) exceed \$280,000,000.

An insurance company is subject to tax as calculated under MBT or the retaliatory tax under Michigan Compiled Law (MCL) 500.476a, whichever is greater. This tax is in lieu of the Modified Gross Receipts Tax, the Business Income Tax, and the surcharge.

The tax imposed under Chapter 2A of the MBT Act is in lieu of all other privilege and franchise fees or taxes, except for real and personal property taxes and sales and use taxes. Insurance companies are excluded from the surcharge levy by statute and are not subject to traditional apportionment due to the structure of their tax.

Filing MBT Quarterly Tax Estimates

Quarterly estimates must be paid in any year that the annual tax liability (including surcharge) is reasonably expected to exceed \$800. Estimates must equal at least 85 percent of the current year tax liability and be paid in four timely equal payments. If

they are not, the taxpayer will be charged penalty and interest. Payments can be made with either of the following returns:

- *Michigan Business Tax Quarterly Return* (Form 4548), or
- *Combined Return for Michigan Taxes* (Form 160).

If paying quarterly (on Form 160 or Form 4548), estimates are due April 15, July 15, October 15, and January 15. If filing monthly using Form 160, monthly payments may be filed on the 20th day of the month. For example, a taxpayer may file a monthly MBT estimate using Form 160 on April 20 rather than April 15 so long as the estimate for that month reasonably approximates the liability for the quarter. For taxpayers electing to make monthly remittances by Electronic Funds Transfer (EFT) where the requirement to file a paper Form 160 has been waived, MBT estimates remain due on the 20th day of the month following the month's end.

The estimated MBT for the quarter must reasonably approximate the liability for the quarter. The estimated payment made with each quarterly return must be computed on the actual Gross Direct Premiums Tax base or Retaliatory Tax for the quarter, whichever is greater, or 25 percent of the estimated annual total liability. For tax years ending in 2009 and later, if the prior year's tax is \$20,000 or less, estimated tax may be based on the prior year's total tax liability paid in four equal installments.

Amending Estimates

If, after making payments, the estimated tax is substantially different than originally estimated, recompute the tax and adjust the payment in the next quarter.

E-filing MBT Returns

To optimize operational efficiency and improve customer service, the Department of Treasury is supporting e-file for the first year of MBT by participating in the Internal Revenue Service (IRS) Federal/State Modernized e-File (MeF) program. Check with your software provider to see if it supports MBT e-file, or visit the e-file Web site at www.MIfastfile.org to view a list of approved software providers.

The e-file mandate for SBT is being continued for software developers supporting MBT, effective January 1, 2010, for the 2009 tax year. Software developers producing MBT preparation software will need to support e-file for all eligible MBT forms that are included in their tax preparation software. Therefore, all eligible 2009 MBT returns prepared using software must be e-filed.

New this year, the Department will accept certain Portable Document Format (PDF) attachments with MBT e-filed returns. For a current list of defined attachments, visit the e-file Web site at www.MIfastfile.org, and select "Business Taxpayer." Follow your software instructions for submitting attachments with an e-filed return.

If the MBT return includes supporting documentation or attachments that are not on the predefined list of attachments, the return can still be e-filed. Follow your software instructions for including additional attachments. The preparer or taxpayer should retain file copies of all documentation or attachments.

For more information and program updates, including exclusions from e-file, visit the e-file Web site at www.MIfastfile.org.

The taxpayer may be required to e-file its federal return. Visit the IRS Web site at www.irs.gov for more information on federal e-file requirements and the MeF program.

Completing Michigan Forms

The Department captures the information from paper MBT returns using an Intelligent Character Recognition (ICR) process. If completing a paper return, avoid unnecessary delays caused by manual processing by following the guidelines below so the return is processed quickly and accurately.

- **Use black or blue ink.** Do not use pencil, red ink, or felt tip pens. Do not highlight information.
- **Print using capital letters** (UPPER CASE). Capital letters are easier to recognize.
- **Print numbers like this:** 012345678. Do not put a slash through the zero (Ø) or seven (7).
- **Fill check boxes with an [X].** Do not use a check mark [✓].
- **Leave lines/boxes blank** if they do not apply or if the amount is zero unless otherwise instructed.
- **Do not enter data in boxes filled with Xs.**
- **Do not write extra numbers, symbols, or notes** on the return, such as cents, dashes, decimal points (excluding percentages), or dollar signs unless otherwise instructed. Enclose any explanations on a separate sheet unless instructed to write explanations on the return.
- **Date format,** unless otherwise specified, should be in the following format: MM-DD-YYYY. Use dashes (-) rather than slashes (/).
- **Enter phone numbers using dashes** (e.g., 517-555-5555); do not use parentheses.
- **Stay within the lines** when entering information in boxes.
- **Report losses and negative amounts** with a negative sign in front of the number (do not use parentheses). For example, a loss in the amount of \$22,459 should be reported as -22,459.
- **Percentages should be carried out four digits** to the right of the decimal point. Do not round percentages. For example, 24.154266% becomes 24.1542%. When converting a percentage to a decimal number, carry numbers out six digits to the right of the decimal point. For example, 24.154266% becomes 0.241542.
- **Report all amounts in whole dollars.** Round down amounts of 49 cents or less. Round up amounts of 50 cents or more. If cents are entered on the form, they will be treated as whole dollar amounts.

Suggested Order of Analysis and Preparation of an Insurance Company Annual Return

First complete Form 4588, lines 1 through 23, which is sufficient to calculate total liability before miscellaneous nonrefundable credits. At that point, if any miscellaneous credits will be claimed, begin Form 4596, which serves several important functions:

- Acts as a checklist for all miscellaneous credits for insurance companies

- Calculates refundable credits
- Identifies the order in which nonrefundable credits must be claimed
- Identifies the form on which each nonrefundable credit is calculated
- Tracks tax liability as it is reduced by each credit in proper order
- Identifies (where applicable) the point at which tax liability reaches zero and no further nonrefundable credits may be claimed in the current filing period.

Complete Form 4596 according to its instructions. For each applicable credit, calculate the credit as identified on the appropriate form and bring the result back to the appropriate line on Form 4596.

After total nonrefundable credits is determined on Form 4596, line 35, carry the figure to Form 4588. Total refundable credits amount calculated on Form 4596, line 5, is carried to Form 4588, line 48.

Insurance companies that are foreign or alien insurers must calculate a retaliatory tax on Form 4588, lines 29 through 43. The retaliatory tax requires a foreign insurer to pay the same type of obligation that a similar Michigan insurer is required to pay in the company's state of domicile. Domestic insurers do not need to calculate a retaliatory tax.

New Requirements: Unitary Business Groups (UBGs) and Combined Filing

General Information about UBGs

Unitary Business Group means a group of United States persons, other than a foreign operating entity, that satisfies the following criteria:

- One of the persons owns or controls, directly or indirectly, more than 50 percent of the ownership interest with voting rights (or rights comparable to voting rights) of the other United States persons; AND
- The UBG has operations that result in a flow of value between persons included in the UBG or has operations that are integrated with, are dependent upon, or contribute to each other. Flow of value is determined by reviewing the totality of facts and circumstances of business activities and operations.

United States person means that term as defined in Internal Revenue Code (IRC) 7701(a)(30). The term United States person means:

- A citizen or resident of the United States,
- A domestic Partnership,
- A domestic Corporation,
- Any estate (other than a foreign estate, within the meaning of IRC 7701(a)(31)), and
- Any Trust if:
 - A court within the United States is able to exercise primary supervision over the administration of the Trust, AND
 - One or more United States persons have the authority to control all substantial decisions of the Trust.

NOTE: The IRC defines Partnership and Corporation to include a Limited Liability Corporation (LLC) taxed federally as such.

A *Foreign operating entity* is a United States person that satisfies each of the following:

- Would otherwise be a part of a UBG that has at least one person included in the UBG that is taxable in Michigan.
- Has substantial operations outside the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or a political subdivision of any of the foregoing.
- At least 80 percent of its income is active foreign business income as defined in IRC 861(c)(1)(B).

The Department will follow IRC 318 or analogous authority to determine indirect or constructive ownership and control, except that the Department will apply IRC 318 to all ownership interests.

Flow of value is established when members of the group demonstrate one or more of functional integration, centralized management, and economies of scale. Examples of functional integration include common programs or systems and shared information or property. Examples of centralized management include common management or directors, shared staff functions, and business decisions made for the group rather than separately by each member. Examples of economies of scale include centralized business functions and pooled benefits or insurance. Groups that commonly exhibit a flow of value include vertically or horizontally integrated businesses, conglomerates, parent companies with their wholly owned subsidiaries, and entities in the same general line of business. Flow of value must be more than the mere flow of funds arising out of passive investment.

Businesses are integrated with, are dependent upon, or contribute to each other under many of the same circumstances that establish flow of value. However, this alternate relationship test is also commonly satisfied when one entity finances the operations of another or when there exists intercompany transactions, including financing.

Special UBG Instructions for Insurance Companies

By definition a UBG can include standard taxpayers, insurance companies, and financial institutions. However, in some cases not all members of the UBG will be included on the same return. All standard taxpayer members in a UBG (except those owned by and unitary with a financial institution) file a single combined return on the *MBT Annual Return* (Form 4567). Financial institution members of a UBG (and any standard taxpayer owned by and unitary with a financial institution in the group) file a combined return on the *MBT Annual Return for Financial Institutions* (Form 4590).

Insurance companies are not specifically excluded from the statutory definition of a unitary business group, and thus may constitute a UBG. In practice, however, there is no practical effect of this possibility. The tax on authorized insurance companies is equal to 1.25 percent of gross direct premiums written on property or risk located or residing in Michigan. Because the tax is only on direct premiums on property or risk located in Michigan there will be no traditional apportionment for insurance companies. Thus, even when an authorized insurance company is unitary with another authorized insurance company, this will have no effect in calculating the

tax. As a result, a combined return will not be necessary and each insurance company member of a UBG will file separately on Form 4588.

Exemption Guidelines

The tax imposed and levied under the MBT Act does not apply to an insurance company authorized under Chapter 46 or 47 of the Insurance Code of 1956, PA 218 of 1956, MCL 500.4601 to 500.4673 and MCL 500.4701 to 500.4747.

Filing the Correct Form

A different primary return and instruction booklet are available for standard taxpayers (Form 4567) and financial institutions (Form 4590).

Due Dates of Annual Returns

The tax year of an insurance company is the calendar year. An insurance company must file the annual return required before March 2 after the end of the tax year. The extension that is available to the standard taxpayer under MCL 208.1505(4) is not available to insurance companies.

Amending a Return

To amend a current annual return, complete Form 4588 and check the box in the upper-right corner of the return. Enter the figures on the amended return as they should be. There is no longer a separate form for amending a return.

To request copies of current or past forms, see “To Request Forms” on this page.

To amend a return to claim a refund, file within four years of the original return’s due date. Interest will be paid beginning 45 days after the claim is filed or the due date, whichever is later.

If amending a return to report a deficiency, penalty and interest may apply from the due date of the original return. If any changes are made to a Federal Income Tax return that affect an MBT tax base, filing an amended return is required. To avoid penalty, file the amended return within 120 days after the final determination by the IRS.

Computing Penalty and Interest

Penalty is computed at 5 percent of tax due, for the first two months. Penalty increases by an additional 5 percent per month, or fraction thereof, after the second month, to a maximum of 25 percent. This applies to annual and estimated returns.

The interest rate is adjusted by the Department on January 1 and July 1 of each year, to 1 percent above the adjusted prime rate. For a complete list of interest rates, see Revenue Administrative Bulletin (RAB) 2008-5 on the Department’s Web site at www.michigan.gov/taxes.

Signing the Return

All returns must be signed and dated by the taxpayer or the taxpayer’s authorized agent. This may be the owner, partner, corporate officer, officer’s agent, or association member.

If someone other than the above prepared the return, the preparer must give his or her business address and telephone number.

Print the name of the taxpayer and preparer in the appropriate area on the return.

Assemble the returns and attachments and staple in the upper-left corner. (Do not staple a check to the return.)

IMPORTANT REMINDER: Failure to include all the required attachments with the return will delay processing and may result in reduced or denied refund or credit carryforward or a bill for tax due.

Mailing Addresses

Postage Changes: Effective May 2007, the U.S. Post Office calculates postage based on the weight, size, and thickness of an envelope. Consult with the Post Office before mailing to avoid delays in delivery; items with insufficient postage will be returned by the Post Office.

Mail the annual return and all necessary schedules to:

With payment:

Michigan Department of Treasury
P.O. Box 30113
Lansing, MI 48909

Without payment:

Michigan Department of Treasury
P.O. Box 30783
Lansing, MI 48909

Mail MBT quarterly estimate payments (Form 4548) to:

Michigan Department of Treasury
P.O. Box 30774
Lansing, MI 48909-8274

Courier delivery service mail should be sent to:

Michigan Department of Treasury
7285 Parsons Dr.
Dimondale, MI 48821

Make all checks payable to “**State of Michigan.**” Write the taxpayer’s Federal Employer Identification Number (FEIN) or Treasury (TR) assigned number and “MBT” on the check.

Correspondence

Address changes and business discontinuance can be reported by using the *Notice of Change or Discontinuance* (Form 163), which can be found online at www.michigan.gov/treasuryforms or inside the Sales, Use, and Withholding Tax booklet.

Mail correspondence to:

Customer Contact Division, MBT Unit
Michigan Department of Treasury
P.O. Box 30783
Lansing, MI 48909

To Request Forms

- **Internet.** Current and past year forms are available on the Department’s Web site at www.michigan.gov/treasuryforms.

- **Phone:** Call toll-free 1-800-367-6263 to have business tax forms mailed to you.

- **Alternate Format:** Assistance in obtaining printed material in an alternate format may be requested by calling 1-800-827-4000 and pressing options 1, 4, and 223.

- **TTY:** Teletypewriter assistance is available by calling (517) 636-4999.

Revenue Administrative Bulletins

2008-5	Interest Rate
2008-4	Michigan Business Tax Nexus Standards
2007-6	Michigan Business Tax - "Actively Solicits" Defined
2005-3	Penalty Provisions
1996-4	Credit or Refund of Overpayment of Taxes or Credits in Excess of Tax Due and Applicable Interest
1994-1	Challenge of Assessment, Decision or Order Limited by Statute
1989-38	Officer Liability

For a complete list, go to www.michigan.gov/taxes.

Country Codes

Countries are identified by two-letter codes – Country Codes – which are required on some Michigan Business Tax (MBT) forms, including the annual returns. The following is a list of countries and their codes.

AF Afghanistan	KM Comoros	HN Honduras	MP N.Mariana Islnd	SO Somalia
AL Albania	CK Cook Islands	HK Hong Kong	NA Namibia	ZA South Africa
DZ Algeria	CR Costa Rica	HU Hungary	NT NATO	KR South Korea
VI Amer.Virgin Is.	CI Cote d'Ivoire	IS Iceland	NR Nauru	ES Spain
AD Andorra	XX Countries-Other	IN India	NP Nepal	LK Sri Lanka
AO Angola	HR Croatia	ID Indonesia	NL Netherlands	KN St Kitts&Nevis
AI Anguilla	CU Cuba	IR Iran	NC New Caledonia	LC St. Lucia
AQ Antarctica	CY Cyprus	IQ Iraq	NZ New Zealand	VC St. Vincent
AG Antigua/Barbuda	CZ Czech Republic	IE Ireland	NI Nicaragua	PM St.Pier,Miquel.
AR Argentina	CD Dem. Rep. Congo	IL Israel	NE Niger	SD Sudan
AM Armenia	DK Denmark	IT Italy	NG Nigeria	SR Suriname
AW Aruba	DJ Djibouti	JM Jamaica	NU Niue	SJ Svalbard
AU Australia	DM Dominica	JP Japan	NF Norfolk Islands	SZ Swaziland
AT Austria	DO Dominican Rep.	JO Jordan	KP North Korea	SE Sweden
AZ Azerbaijan	AN Dutch Antilles	KZ Kazakhstan	NO Norway	CH Switzerland
BS Bahamas	TP East Timor	KE Kenya	OM Oman	SY Syria
BH Bahrain	TL East Timor	KI Kiribati	OR Orange	TW Taiwan
BD Bangladesh	EC Ecuador	KW Kuwait	PK Pakistan	TJ Tajikistan
BB Barbados	EG Egypt	KG Kyrgyzstan	PW Palau	TZ Tanzania
BY Belarus	SV El Salvador	LA Laos	PS Palestine	TH Thailand
BE Belgium	GQ Equatorial Guin	LV Latvia	PA Panama	TG Togo
BZ Belize	ER Eritrea	LB Lebanon	PG Pap. New Guinea	TK Tokelau Islands
BJ Benin	EE Estonia	LS Lesotho	PY Paraguay	TO Tonga
BM Bermuda	ET Ethiopia	LR Liberia	PE Peru	TT Trinidad,Tobago
BT Bhutan	EU European Union	LY Libya	PH Philippines	TN Tunisia
BL Blue	FK Falkland Islnds	LI Liechtenstein	PN Pitcairn Islnds	TR Turkey
BO Bolivia	FO Faroe Islands	LT Lithuania	PL Poland	TM Turkmenistan
BA Bosnia-Herz.	FJ Fiji	LU Luxembourg	PT Portugal	TC Turksh Caicosin
BW Botswana	FI Finland	MO Macau	PR Puerto Rico	TV Tuvalu
BV Bouvet Islands	FR France	MK Macedonia	QA Qatar	UG Uganda
BR Brazil	PF Frenc.Polynesia	MG Madagascar	CG Rep.of Congo	UA Ukraine
IO Brit.Ind.Oc.Ter	GF French Guayana	MW Malawi	RE Reunion	GB United Kingdom
VG Brit.Virgin Is.	TF French S.Territ	MY Malaysia	RO Romania	UN United Nations
BN Brunei Daruss.	GA Gabon	MV Maldives	RU Russian Fed.	UY Uruguay
BG Bulgaria	GM Gambia	ML Mali	RW Rwanda	US USA
BF Burkina Faso	GE Georgia	MT Malta	GS S. Sandwich Ins	AE Utd.Arab Emir.
MM Burma	DE Germany	MH Marshall Islnds	ST S.Tome,Principe	UZ Uzbekistan
BI Burundi	GH Ghana	MQ Martinique	SH Saint Helena	VU Vanuatu
KH Cambodia	GI Gibraltar	MR Mauretania	WS Samoa	VA Vatican City
CM Cameroon	GR Greece	MU Mauritius	AS Samoa, America	VE Venezuela
CA Canada	GL Greenland	YT Mayotte	SM San Marino	VN Vietnam
CV Cape Verde	GD Grenada	MX Mexico	SA Saudi Arabia	WF Wallis,Futuna
CF CAR	GP Guadeloupe	FM Micronesia	SN Senegal	EH West Sahara
KY Cayman Islands	GU Guam	UM Minor Outl.Isl.	CS Serbia/Monten.	YE Yemen
TD Chad	GT Guatemala	MD Moldova	SC Seychelles	ZM Zambia
CL Chile	GN Guinea	MC Monaco	SL Sierra Leone	ZW Zimbabwe
CN China	GW Guinea-Bissau	MN Mongolia	SG Singapore	
CX Christmas Islnd	GY Guyana	MS Montserrat	SK Slovakia	
CC Coconut Islands	HT Haiti	MA Morocco	SI Slovenia	
CO Colombia	HM Heard/McDon.Isl	MZ Mozambique	SB Solomon Islands	

File with confidence. E-file.

✦ **It's Accurate.** E-filed returns have much less chance of error compared to paper returns. The computer program checks for math errors before the return is accepted, and new explanations pinpoint the location of any errors in the return.

✦ **It's Fast.** E-filed returns are processed much faster than paper returns. Paper-filed returns take considerably longer to process.

✦ **It's Convenient.** Prepare and submit your Michigan Business Tax (MBT) return electronically using software approved by the Michigan Department of Treasury, and receive electronic proof from both the Internal Revenue Service (IRS) and State of Michigan that your returns were accepted.

✦ **It's Secure.** Only preparers and their clients see the returns. Confidential information is protected by Secure Socket Layer (SSL) 128-bit encryption.



www.MIfastfile.org

E-file Software Companies

The following companies have indicated their commitment to develop software for MBT e-file. They may need to be contacted to determine when their software will be available. Additional company contact information is available on Treasury's Web site at www.michigan.gov/taxes.

1040 Works

www.1040works.com

CCH Small Firms Services - ATX

www.atxinc.com

CCH Small Firms Services - TaxWise

www.taxwise.com

CCH, a Wolters Kluwer Business

www.CCHGroup.com

CORPTAX, LLC

www.corptax.com

Data Technology Group

www.taxdimensions.com

Drake Enterprises

www.drakesoftware.com

Express Tax

www.expresstaxservice.com

Greatland

www.greattaxpro.com

Lacerte

www.lacertesoftware.com

Lamson Tech

www.lamsontech.com

Pro Series

www.proseries.com

Rhodes Computer Services

www.taxslayerpro.com

Tax Technologies, Inc.

www.taxtechnologies.com

TAX\$IMPLE, INC.

www.taxsimple.us

Taxsation Inc.

www.taxsation.com

TaxVision

www.ntslinks.net

TaxWorks, Inc.

www.taxworks.com

Thomson Reuters Tax & Accounting

www.es.thomsonreuters.com

www.Onesource.ThomsonReuters.com

www.cs.thomsonreuters.com

Vertex, Inc.

www.vertexinc.com

Treasury and the State of Michigan do not endorse or warrant these companies or their products or services. The decision to use or not to use any of these products and services will not result in any special treatment from Treasury.

Unclaimed Property Reporting for Businesses

Michigan's Uniform Unclaimed Property Act (Public Act (PA) 29 of 1995) requires holders of unclaimed property to report and remit property belonging to owners who cannot be located or for whom there is no known address. Every business that has uncashed checks (payroll, vendor, dividends, etc.) must file a report and turn the funds over to the Michigan Department of Treasury, Unclaimed Property Division. Unclaimed property could also include cash, deposits, interest, stocks,* or contents from safe deposit boxes.

Section 31 (2) of PA 29 gives the State Treasurer the authority to conduct unclaimed property examinations to determine compliance with the act.

WHO MUST REPORT

Every Individual, Partnership, or Corporation who has unclaimed property belonging to someone whose last known address is in Michigan must report. If the owner's last known address is in another state or country and the holder does not report under the provisions of that state or country, then report those interests to Michigan.

DORMANCY PERIODS

Generally, property in your custody that belongs to someone else and has gone unclaimed for five years must be reported. However, dormancy periods will vary based on the type of property. Visit Treasury's Web site at www.michigan.gov/unclaimedproperty for more detailed information about dormancy periods.

*A 2004 law change reduced the dormancy period for reporting stock and dividends from seven to three years.

REPORTING DUE DATE

Holder reports are due by November 1 each year and must contain all items considered unclaimed as of June 30. Enclose payment with the report to cover the amount reported. If you have unclaimed property and fail to pay or deliver it timely to the State of Michigan, you may be liable for interest at the current monthly rate of one percentage point above the adjusted prime rate on the value of the property. Civil penalties may also apply for not filing.

CLAIMING FUNDS

To check if funds are being held for you, your family, or your business entity, visit Treasury's Web site at www.michigan.gov/unclaimedproperty.

FOR MORE INFORMATION



Visit www.michigan.gov/unclaimedproperty



Call the Unclaimed Property Division at 517-636-5320



Write to: Unclaimed Property Division
Michigan Department of Treasury
P.O. Box 30756
Lansing, MI 48909